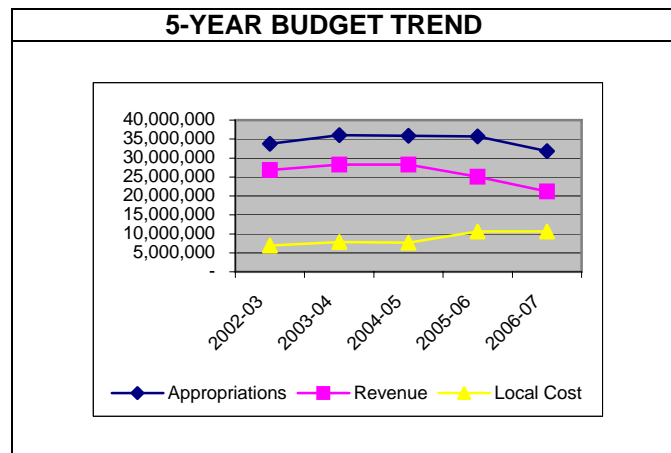# Trial Court Funding – Maintenance of Effort (MOE)

DESCRIPTION OF MAJOR SERVICES

On January 1, 1998, AB233, the Lockyer – Isenberg Trial Court Funding Act of 1997 went into effect in the State of California. This bill fundamentally changed how the trial courts are funded by transferring primary responsibility for funding the courts to the state, including sole responsibility for funding future growth in court operations costs. In addition, it requires counties to make a capped maintenance of effort (MOE) payment to the state each year for operations of the courts. The county's MOE contribution of $28,390,295 is made up of two components. The expenditure component of $20,227,102 represents the adjusted 1994-95 county expenses for court operations and the revenue component of $8,163,193 is based on the fine and forfeiture revenue sent to the state in 1994-95. In return, the state allowed the counties to retain many of those same fines and forfeitures to help fund their MOE payments with the provision that collections that exceed the amount of the revenue MOE be shared equally between the state and the county. Of the remaining one half of excess revenue retained by the county, 25% is transferred to the Courthouse Facility special revenue fund to assist with costs of the seismic retrofit/remodel of the central courthouse.

Legislation enacted in 2003 mandated that during 2003-04 and 2004-05 all California counties contribute an additional payment to the state toward court funding. The payment was intended to help the state during its budget crisis and was in lieu of the state taking counties' various undesignated revenues, which would be a much higher amount. San Bernardino County's share of the $31 million sweep was $1,134,812 in 2004-05 and $727,264 in 2005-06. According to the recently enacted legislation, the County's share is expected to decrease further, however, the amount is not yet known.

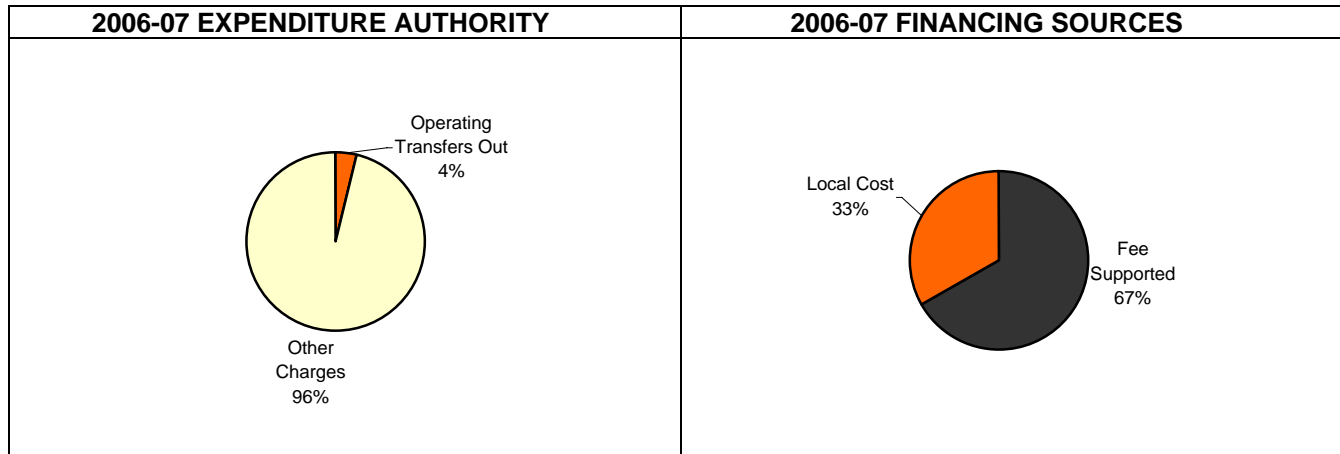There is no staffing associated with this budget unit.

BUDGET HISTORY

PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	33,759,418	36,063,535	35,890,577	35,725,112	32,141,796
Departmental Revenue	26,850,202	28,763,962	28,238,674	25,098,622	22,598,246
Local Cost	6,909,216	7,299,573	7,651,903	10,626,490	9,543,550

ANALYSIS OF PROPOSED BUDGET

2006-07 EXPENDITURE AUTHORITY	2006-07 FINANCING SOURCES

Operating Transfers Out 4%

Other Charges 96%

Local Cost 33%

Fee Supported 67%

GROUP: Administrative/Executive
DEPARTMENT: Trial Court Funding -Maintenance of Effort
FUND: General

BUDGET UNIT: AAA TRC
FUNCTION: Public Protection
ACTIVITY: Judicial

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
Appropriation							
Other Charges	32,685,594	34,755,850	34,617,482	30,891,796	34,525,112	30,532,490	(3,992,622)
Total Appropriation	32,685,594	34,755,850	34,617,482	30,891,796	34,525,112	30,532,490	(3,992,622)
Operating Transfers Out	1,073,824	1,307,685	1,273,095	1,250,000	1,200,000	1,250,000	50,000
Total Requirements	33,759,418	36,063,535	35,890,577	32,141,796	35,725,112	31,782,490	(3,942,622)
Departmental Revenue							
Fines and Forfeitures	8,150,277	7,953,555	8,213,531	8,788,919	7,280,000	8,412,500	1,132,500
State, Fed or Gov't Aid	(311,286)	-	-	-	-	-	-
Current Services	19,011,211	20,810,407	20,025,143	13,809,327	17,818,622	12,743,500	(5,075,122)
Total Revenue	26,850,202	28,763,962	28,238,674	22,598,246	25,098,622	21,156,000	(3,942,622)
Local Cost	6,909,216	7,299,573	7,651,903	9,543,550	10,626,490	10,626,490	-

Transfer of revenue to the Courthouse Facility special revenue fund will increase from $1,200,000 to $1,250,000.

Other charges is reduced by $3.9 million due to several legislative changes. The revenue Maintenance of Effort is reduced to partially offset civil assessment revenue that now goes to the state. Additionally, the payment to the state for the sweep of undesignated revenue is reduced by $590,000 from the 2005-06 Final Budget. Corresponding changes to revenue are shown in the Change From 2005-06 Final Budget. Further legislative changes are expected.